

**UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH CAROLINA
CHARLESTON DIVISION**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

**ALBERT E. PARISH, JR., PARISH
ECONOMICS, LLC, and SUMMERVILLE
HARD ASSETS, LLC,**

Defendants.

**CIVIL ACTION NO.
2:07-cv-00919-DCN**

**RECEIVER'S EMERGENCY MOTION TO APPROVE THE SALE OF
LIFE INSURANCE POLICIES ISSUED BY THE AMERICAN GENERAL
LIFE INSURANCE CO. AND BRIEF IN SUPPORT THEREOF**

S. Gregory Hays, the Court-appointed Receiver for Albert E. Parish (“Parish”), Parish Economics, LLC (“Parish Economics”), and Summerville Hard Assets, LLC (“Summerville”) (collectively the “Receivership Entities” or the “Receiver Estate”), by and through his undersigned counsel of record, files his Emergency Motion to Approve the Sale of Life Insurance Policies Issued by the American General Life Insurance Co., and Brief in Support Thereof (the “Motion”) and shows the Court as follows:

BACKGROUND

1. In its *Order Granting Preliminary Injunction, Freezing Assets, Appointing a Receiver and Ordering Other Ancillary Relief* entered on April 5, 2007 (the “Receivership Order”), this Court appointed S. Gregory Hays as Receiver for Parish, Parish Economics, and Summerville. Among other things, this Court authorized and directed the Receiver to: take custody and control of assets of the Receiver Estate; to sell assets of the Receiver Estate; and to marshal and administer assets held by third-parties. (See Receivership Order §§ VIII, XI.)

2. In accordance with the provisions of the Receivership Order, the Receiver has taken custody and control of various assets of the Receiver Estate, including the following life insurance policies that insure the life of Albert E. Parish:

- Policy No. MH0029309 (“309”); issued by the American General Life Insurance Company; a 20-year level term policy dated June 5, 2002 with a death benefit face value of \$5,000,000; and
- MH0029310 (“310”); issued by the American General Life Insurance Company; a 20-year level term policy dated June 5, 2002 with a death benefit face value of \$5,000,000.

3. The Receiver’s investigation and analysis of these life insurance policies has led the Receiver to conclude that it would be in the best interest of the

Receiver Estate to sell these policies rather than to continue to pay the premiums associated with the policies and depleting funds available to the receiver Estate.

4. To this end, the Receiver has located a buyer who is interested in purchasing the Life Insurance Policies Nos. 309 and 310. The buyer has made a bona fide offer of \$100,000 each for Life Insurance Policies Nos. 309 and 310 and deposited \$20,000 with the Receiver (constituting the 10% of the offer price for each of the life insurance policies).

SALE OF LIFE INSURANCE POLICIES NOS. 309 AND 310

5. Although the Order appointing the Receiver specifically authorizes the Receiver to “sell, rent, lease, or otherwise hypothecate or dispose of the assets of the Receiver Estate,” (see Order dated April 5, 2007 (Doc. No. 7) at ¶ VIII(e)), the Receiver respectfully asks this Court to authorize the sale of Life Insurance Policies Nos. 309 and 310 as described below and consistent with the plan described in the Receiver’s Expedited Motion to Approve the Disposition of Life Insurance Policies filed August 17, 2007.

6. Any person or entity wishing to submit a competing offer to purchase Life Insurance Policies Nos. 309 or 310 must do so in writing to the Receiver. Said offer must be in an amount greater than \$110,000 per policy. Such offer also must be accompanied by certified funds in an amount not less than ten percent (10%) of the new offer price, which must be deposited within three (3) days of the

bid with the Receiver in order to constitute a bona fide offer. **All such counter-offers must be received on or prior to August 27, 2007.**

7. Any person or entity wishing to submit an objection to the sale of Life Insurance Policies Nos. 309 or 310 must do so in writing to the Receiver for receipt on or prior to August 27, 2007.

RELIEF REQUESTED

8. In the event that no competing offer or objection or is timely filed, the Receiver requests that the Court enter an Order approving the sale of the subject life insurance policies and authorizing the Receiver to take all actions necessary to accomplish the sales, including authorizing the Receiver to act as trustee of any trusts that may be necessary in order to promptly authorize the sale of the subject life insurance policies.

9. **Any Person or entity submitting a competing offer or objection must appear at the hearing scheduled for 2:00 p.m on August 30, 2007, United States District Courthouse, Charleston, South Carolina, Courtroom # 2.** At the conclusion of such hearing, the Court will enter an Order regarding the sale authorizing the Receiver to take all actions necessary to convey title to Policy Nos. 309 and 310.

ARGUMENT AND CITATION OF AUTHORITY

This Court has already expressly authorized the Receiver to sell Receivership assets, see Order § VIII(e). Nevertheless, the Receiver is seeking the Court's approval in the interest of full disclosure and maintaining the transparency of this Receivership. The Receiver also intends for this Motion to serve as notice to all parties who may potentially be interested in purchasing Life Insurance Policies Nos. 309 and 310, which are the subject of this Motion. Notice of this Motion and Hearing is being given to the insurer, all affected persons and entities and the proposed purchaser of Life Insurance Policies Nos. 309 and 310.

CONCLUSION

For the reasons set forth herein, the Receiver respectfully requests that this Court issue an order authorizing the sale of the Life Insurance Policies Nos. 309 and 310 as outlined above.

Respectfully submitted this 20th day of August, 2007.

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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH CAROLINA
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SECURITIES AND EXCHANGE COMMISSION, Plaintiff, vs. ALBERT E. PARISH, Jr., PARISH ECONOMICS, LLC and SUMMERVILLE HARD ASSETS, LLC Defendants.	CIVIL ACTION NO. 2:07-919-DCN
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CERTIFICATE OF SERVICE

I hereby certify that on the 20th day of August, 2007, I electronically filed the *Receiver's Emergency Motion To Approve The Sale of Life Insurance Policies Issued By American General Life Insurance Co. and Brief in Support Thereof* with the Clerk of this Court using the CM/ECF system, which will automatically send email notification of such filing to all case parties via email.

This 20th day of August 2007.

TROUTMAN SANDERS LLP

/s/ Merle R. Arnold III
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